

NDWEDWE LOCAL MUNICIPALITY



FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2005

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GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE COMMITTEE

Mayor	Councillor N Vilakazi
Speaker	Councillor SJ Sishi
Member of Executive Committee	Councillor A Badul
Member of Executive Committee	Councillor NP Gumede
Member of Executive Committee	Councillor SW Kubheka
Member of Executive Committee	Councillor PDT Ninela
Member of Executive Committee	Councillor C Ngidi
Member of Executive Committee	Councillor BJ Zondi

GENERAL INFORMATION

GRADING OF LOCAL AUTHORITY

GRADE 1

AUDITORS

The Auditor-General

BANKERS

**First National Bank
Verulam Branch**

REGISTERED OFFICE

**Ndwedwe Local Municipality
Lot 47-48 Road P 100
Ndwedwe
4342**


**Private Bag x 503
Ndwedwe
4342**

Telephone Number: 032-532 1089

Fax: 032-532 1071

APPROVAL OF FINANCIAL STATEMENTS

The Annual Financial Statements as set out on pages 4 to 22 were approved by the Municipal Manager on 31 August 2005.


**MUNICIPAL MANAGER
S.V. ZONDI (Dip. Community Development &
Organisation, Dip. In Project Management &
Project Admin.)**


**DIRECTOR FINANCE SERVICES
S.Z. SOJI (B. Tech CMA)
IMFO**

FOREWORD

Ndwedwe Local Municipality is trying by all means to fulfill its mandate by ensuring the basic needs such as clean water and electricity in spite of budgeting constraints we are faced with. Revenue generation is still a problem. We still mainly survive on both Provincial Grants and National Grants. There are however some efforts in progress to make sure that Ndwedwe is proclaimed as a Town in order to attract investors to the Ndwedwe area.

Whilst the demand for basic services, e.g. water and electricity is being addressed, the Municipality can only provide what is within its powers and functions as a Local Municipality.

The Municipality is trying by all means to comply with relevant regulations applicable to municipalities especially Municipal Finance Management Act No. 56 of 2003. The Internal Auditors have been appointed to ensure that internal controls are effective and efficient, and also Audit Committee has been formed as required by Section 166 of Municipal Finance Management Act No. 56 of 2003. This is one of the ways to ensure sound financial management of the municipality. It is also essential that the limited resources we have at our disposal are economically managed in an effective and efficient manner.

In conclusion, I would like to express my appreciation to the management, staff members as a whole for their support, co-operation and dedication. I also wish the Municipality the sustainable growth and prosperous next financial year period.

May God bless you all.


COUNCILLOR: N. VILAKAZI
HIS WORSHIP, THE MAYOR
NDWEDWE LOCAL MUNICIPALITY

REPORT OF THE DIRECTOR – FINANCE SERVICES

INTRODUCTION

This is the fifth set of Financial Statements of Ndwedwe Municipality and the first set of Financial Statements after the promulgation of Municipal Finance Management Act no. 56 of 2003. The MFMA has been introduced to Municipalities so that there is a uniform financial management of the Municipality's funds. However when this Act was introduced, it categorised Municipalities in terms of their capacities therefore Ndwedwe Municipality was categorised as a low capacity Municipality. This simply means that some of the sections of the MFMA will not be implemented as from 01 July 2005. Therefore according to this Municipality's capacity the 2004.2005 Financial Statements cannot be prepared in terms of GAMAP standards.

Ndwedwe Municipality is still battling to secure the source of revenue, however the Municipality has made sure that most of the senior posts are field including the Town planner so as to make ensure that the issue of revenue is addressed. The process of acquiring land is underway, since the land has been owned by the Department of Housing. At the same time the Municipality is also pushing the process of proclaiming Ndwedwe as a Town. It is believed that once Ndwedwe is proclaimed a Town it will then be able to develop both business and residential sites that will be disposed to developers and individuals. This will in the end benefit this Municipality in a sense that Rates and Taxes will be collected.

Another source of Revenue that still needs to be addressed is the issue of Property Rates Act no. 6 of 2004. Even though this Act has been enacted from 01 July 2005, the collections of these rates on properties can only be implemented from 01/07/2007 since there is still a lot that needs to be addressed.

The Municipality has tried to complete most of the projects that were in progress in the previous year even though there is still a lot to be discussed on the project of electricity since it is a basic need of the Ndwedwe community.

1. OPERATING RESULTS

Details of the operating results are included in Appendices D and E. Applicable statistics are shown on appendix F. The overall operating expenditure results for the year ended 30 June 2005 are as follows:-

INCOME	ACTUAL 2004 R	ACTUAL 2005 R	VARIANCE 2004/2005 %	BUDGETED 2005 R	VARIANCE ACTUAL/BUD GETED %
Opening Surplus	11,066,529	11,615,046	-5.0	0	0
Operating Income for the year	14,616,542	18,002,995	-23.1	27,445,500	-52.5
Closing Deficit	0	0			
	25,683,071	29,618,041		27,445,500	

EXPENDI TURE	ACTUAL 2004 R	ACTUAL 2005 R	VARIANCE 2004/200 5 %	BUDGETED 2005 R	VARIANCE ACTUAL/BU DGETED %
Opening Deficit	0	0		0	
Operating expenditu re for the year	8,887,545	11,630,674	-30.9	27,445,500	-136.0
Other Adjustme nts	0	0			
	5,728,998	6,372,321	-11.2	0	0
Closing surplus					
	14,616,543	18,002,995		27,445,500	

1.1 RATES AND GENERAL SERVICES

	ACTUAL 2004 R	ACTUAL 2005 R	VARIANC E 2004/20 05 %	BUDGETED 2004 R	VARIANCE ACTUAL/BUD GET %
Income	14,616,542	18,002,995	18.8	27,445,500	-34.4
Expenditure	-8,887,545	-11,630,674	23.6	27,445,500	142.4
Surplus (Deficit)	5,728,997	6,372,321		0	
Surplus (deficit as% of Total Income	39.2%	35.4%		0%	

The Surplus arises from the Total Income which includes Equitable share, National and Provincial grants, Interest from Current and Investment accounts and Other income.

2. CAPITAL EXPENDITURE

- The expenditure on Fixed Assets during the year amounted to R 1,203,075.36.
- Capital expenditure for 2002/2003 and 2004/2005 IDP Projects amounted to R 6,538,567.00.

The actual capital expenditure including donations for the 2004/2005 is as follows:-

	2005 ACTUAL R	2005 BUDGETED R	2004 ACTUAL R
Land and Buildings	50,837	0	70,052
Infrastructure/ IDP	6,538,567	11,030,000	1,715,219
Projects	1,152,238	675,000	193,344
Other Assets	257,816	0	0
Donations from Ilembe			
	7,999,459	11,705,000	1,978,615

Resources used to finance the Fixed Assets were as follows:-

	2005 ACTUAL R	2005 BUDGETED R	2004 ACTUAL R
Contributions from: Grants and Subsidies- Fixed Assets	1,203,075	675,000	263,396
Grants and Subsidies- IDP Projects	6,538,567	11,030,000	1,715,219
Donations	257,816	0	0
	7,999,459	11,705,000	1,978,615

The percentage summary of expenditure is as follows:-

EXPENDITURE	R	%
Salaries, Wages and Allowances	5,905,238	31.7
General Expenditure	4,800,230	25.8
Repairs and Maintenance	401,559	2.0
Contributions to Capital outlay	997,218	5.4
Projects	6,538,657	35.1
TOTAL	18,642,813	100

- Refer to a Detailed Income Statement for the analysis of income received.

- ❖ Salaries wages and allowances includes salaries of all staff and all Councillors.
- ❖ General expenditure includes all costs incurred by the Municipality to operating on day to day basis.
- ❖ Repairs and maintenance includes all costs incurred to repair and maintain Fixed Assets to an effective operating level.
- ❖ Contributions to capital outlay refer to acquisition of Fixed Assets.
- ❖ Capital Development fund is calculated as a percentage of total income at 3% in terms of the Ordinance of 1974.
- ❖ Projects refer to projects as per the IDP.

3. INVESTMENTS AND CASH

Investments and Cash on hand at 30 June 2005 amounted to R 13,988,713.39 and R 1,105,185.79 respectively. While the Council holds an amount of R 15,103,905.18 in cash and investments, R7, 000,000 of these funds will be utilized for electricity projects as budgeted for in 2005/2005 annual budget, R3, 037,269.00 is for conditional grants to be utilized as per the business plans, R 1,620,590.00 will be utilized to complete capital projects as they appear on the Ledger and R 1,656,304.85 is for Capital Development Fund.

4. FUNDS AND RESERVES

More information regarding Funds and Reserves are disclosed in the notes (1 to 2) and Appendix A.

5. POSTS BALANCE SHEET EVENTS

There were no post balance sheet events that would materially affect the Financial Statements.

6. EXPRESSION AND APPRECIATION

I wish to express my word of gratitude to the Mayor, Municipal Manager the Directors and Finance staff for the support they have given me during the preparation and compilation of the 2004/2005 Financial Statements.



MRS. SZ SOJI
DIRECTOR FINANCE SERVICES

ACCOUNTING POLICIES

1 Basis of Presentation

These financial statements have been prepared to conform to the standards laid down by the Institute of Municipal and Finance Officers in its Code of Practice (1997) and Report on the Standardisation of Financial Statements of Local Authorities

The financial Statements are prepared on the historical cost basis adjusted for fixed assets as more fully detailed in the Accounting Policy, note 3. The accounting policies are consistent with those applied in the previous year, except if otherwise indicated.

The Financial Statements are prepared on the accrual basis :-

- Income is accrued when collectable and measurable
- Expenditure is accrued in the year it is incurred.

2 Debtors and Creditors

Current and capital transactions operate on an income and expenditure basis. Income accruing and any outstanding payments as at 30 June 2005, are brought to account by means of raising sundry debtors and sundry creditors respectively.

3 Fixed Assets

Fixed assets are stated at historical cost or at valuation (based on the market price at the date of acquisition), where assets have been acquired by grants or donation while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their useful life as determined by the treasurer

4 Funds and Reserves

Provisions and reserves are determined on the following basis:

Leave Pay - The value of leave accruing to staff as at 30th June 2005

5 Investments

Investments relate to the risk free deposits that are undertaken with financial institution, and such investments are stated at their cost and the interest that accrue from them is capitalised

6 Capital Development Fund

The Municipality contributes 3% of the defined income for the immediate preceding financial year.

7 RETIREMENT BENEFITS

The employees are members of the Natal Joint Municipal Pension / Provident Fund. The Fund has a full valuation on a triannual basis, and an interim valuation on an annual basis. It should be noted that association with the Natal Joint Municipal Pension Fund is compulsory.

Staff members are entitled to a 18. % of basic salary towards council contribution to a retirement/pension/provident fund and 60% per month towards a medical aid scheme.

Staff members are afforded the opportunity to utilise any unused contribution, over and above their contribution to the Natal Joint Municipal Pension / Provident Fund and medical aid contribution, as a contribution to a retirement / pension/ provident / medical fund of their own choice as from 1 January 1997

NDWEDWE MUNICIPALITY

BALANCE SHEET AS AT 30 JUNE 2005

CAPITAL EMPLOYED	Note	2005	2004
		R	R
FUNDS AND RESERVES		6,314,165	2,677,627
Statutory Funds	1	1,656,305	1,116,215
Reserves and Grant Funds	2	4,657,860	1,561,412
ACCUMULATED SURPLUS/ (DEFICIT)	12	8,604,720	11,615,046
		14,918,884	14,292,672
LONG-TERM LIABILITIES		-	-
CONSUMER DEPOSITS		-	-
		14,918,884	14,292,672
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	3	-0	-
INVESTMENTS	4	13,988,713	13,806,882
LONG-TERM DEBTORS	5	241,386	307,862
		14,230,099	14,114,744
NET CURRENT ASSETS		688,785	177,928
CURRENT ASSETS		1,329,616	2,452,625
Debtors	6	150,219	34,243
Cash at Bank	7	1,105,186	2,321,340
Short-term portion of long term debtors	5	74,212	97,042
CURRENT LIABILITIES		640,831	2,274,697
Creditors	8	340,870	1,997,096
Provisions	9	299,961	277,601
Short term portion of Long Term Liabilities		-	-
		14,918,884	14,292,672

NDWEDWE LOCAL MUNICIPALITY
INCOME STATEMENT FOR THE YEAR
ENDED 30 JUNE 2005

2004 Actual Income R	2004 Actual Expenditure R	2004 Surplus/ (Deficit) R		2005 Actual Income R	2005 Actual Expenditure R	2005 Surplus/ (Deficit) R	2005 Budget Surplus/ R
14,616,542	8,887,545	5,728,998	RATE & GENERAL SERVICES	18,002,995	11,630,674	6,372,321	0
14,616,542	8,887,545	5,728,998	Administration	18,002,995	11,630,674	6,372,321	0
0	0	0	Subsidised Services	0	0	0	0
0	0	0	Economic Services	0	0	0	0
0	0	0	Trading Services	0	0	0	0
<u>14,616,542</u>	<u>8,887,545</u>	<u>5,728,998</u>	TOTAL	<u>18,002,995</u>	<u>11,630,674</u>	<u>6,372,321</u>	<u>0</u>
		-5,180,481	Appropriations for year			-9,382,647	
		548,517	Net Surplus/(Deficit) for the year			-3,010,326	
		11,066,529	Accumulated Surplus/(Deficit) at the beginning of the year			11,615,046	
		0	Adjusted for			0	
		0	Unrecinciled Items			0	
		<u>11,615,046</u>	Accumulated Surplus/(Deficit) at the end of the year			<u>8,604,720</u>	0

NDWEDWE MUNICIPALITY

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 R	2004 R
Cash generated by operations	13	5,660,790	1,425,299
Investment income	13	1,100,909	876,782
(Increase)/Decrease in working capital	14	-1,762,658	2,350,125
Less external interest paid		-	-
Cash available from operations		4,999,041	4,652,206
Cash contribution from the State		-7,560,732	-1,774,360
(Increase)/Decrease in Long Term Debtors	5	66,477	-52,266
CASH RETAINED FROM OPERATING ACTIVITIES		-2,495,214	2,825,580
CASH UTILISED IN INVESTING ACTIVITIES			
Investment in Fixed Assets	3	1,460,891	1,978,614
NETT CASH FLOW		<u>-1,034,323</u>	<u>4,804,194</u>
CASH EFFECTS OF FINANCING ACTIVITIES			
Increase/(Decrease) in long term loans		-	-
Increase/(Decrease) in short term loans		-	-
(Increase)/Decrease in cash investments	15	-181,831	-7,716,542
(Increase)/Decrease in bank and cash	16	1,216,154	2,912,348
NETT CASH (GENERATED)/UTILISED		<u>1,034,323</u>	<u>-4,804,194</u>

NDWEDWE MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2,005 R	2,004 R
1 STATUTORY FUNDS		
Refer Appendix A		
Capital Development Fund	1,656,305	1,116,215
Public Improvement Fund	0	
	<u>1,656,305</u>	<u>1,116,215</u>
2 RESERVES & GRANT FUNDS		
Refer Appendix A		
Total	4,657,860	1,561,412
Establishment Grant	708,821	910,006
IDP	74,829	94,000
MSIG	546,875	306,406
LUMS	197,330	80,000
Capacity Support Grant	91,879	171,000
Municipal Assistant Grant	800,000	0
MFMA Grant	42,393	0
Financial Management Grant	59,928	0
Internal Departmental Monitoring	60,000	0
Property Rates Implementation Grant	63,125	
Anti - Corruption Grant	134,000	0
Municipal Development planning	200,000	
Housing Grant	58,089	0
General Reserves	1,620,590	0
3 FIXED ASSETS		
Fixed Assets at beg. of year	6,583,970	4,605,355
Capital Outlay during year	1,460,891	1,978,615
Less assets w/off, transferred or disposed	0	0
Total Fixed Assets	<u>8,044,861</u>	<u>6,583,970</u>
Less: Loans redeemed and other capital receipts	8,044,861	6,583,970
Prior Year	6,583,970	4,605,355
Current Year	1,460,891	1,978,615
Nett Fixed Assets	<u>0</u>	<u>0</u>

NDWEDWE MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2,005	2,004
4 INVESTMENTS		
Unlisted:		
Std Bank Call	6,667,247	4,773,986
FNB	2,323,145	4,284,598
ABSA	4,998,321	4,748,298
Short Term Deposits	<u>13,988,713</u>	<u>13,806,883</u>
5 LONG TERM DEBTORS		
Car scheme debtors	315,597	404,904
Short term portion	<u>74,212</u>	<u>97,042</u>
Balance	<u>241,386</u>	<u>307,862</u>
6 DEBTORS		
Staff Debtors	56,368	34,243
SARS	0	850,777
Other Debtors	<u>93,851</u>	<u>0</u>
	<u>150,219</u>	<u>885,020</u>
Debtors Days Outstanding	0	0
7 CASH ON HAND AND AT BANK		
Current Account	<u>1,105,186</u>	<u>2,321,340</u>
8 CREDITORS	R	R
Trade Creditors	340,870	983,698
VAT	0	1,013,398
Sundry Suspense	0	0
Nembe District Municipality		0
Trade Creditors	<u>340,870</u>	<u>1,997,096</u>

NDWEDWE MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

2,005 2,004

9 PROVISIONS

Audit fee	0	0
Leave pay	299,961	277,601
Provisions	<u>299,961</u>	<u>277,601</u>

10 COMMITTEE MEMBERS REMUNERATION

The amounts below are the total cost including all contributions made.

Mayor's Allowances	48,305	42,605
Speaker's Allowances	88,918	85,342
Executive Committee	231,569	217,986
Councillors Allowances	724,069	639,304
Pension Fund Contribution for Councillors	83,189	80,555
Travelling Allowances	210,329	219,083
	<u>1,386,379</u>	<u>1,284,874</u>

11 FINANCE TRANSACTIONS

Total external interest earned	<u>1,100,909</u>	<u>876,782</u>
Total external interest paid	<u>0</u>	<u></u>
Capital charges debited to Income Statement		
Interest paid		
Loans redeemed	<u>0</u>	<u>0</u>

12 APPROPRIATION ACCOUNT

Appropriation Account		
Accumulated surplus at the beginning of year	11,615,046	11,066,529
Operating surplus/(deficit) for the year	6,372,321	5,728,998
Contributions to capital	0	0
Prior year Adjustments- Sundry Creditors	-10,207	-2,741,693
Prior year Adjust - Projects funds allocated	<u>-7,560,000</u>	<u>0</u>
	10,417,159	14,053,834
Operating account		
Contributions to fixed assets	-997,218	-1,715,219
Contributions to	-815,221	-723,570
Capital Development Fund	<u>-540,090</u>	<u>-412,193</u>
Leave pay	<u>-275,132</u>	<u>-311,377</u>
Accumulated Surplus at end of year	<u>8,604,720</u>	<u>11,615,046</u>

NDWEDWE MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2,005	2,004
13 CASH GENERATED BY OPERATIONS		
	R	R
Surplus/ (Deficit) for the year	6,372,321	5,728,998
Adjustments in respect of previous year	0	0
Appropriations charged against income	-1,812,439	-5,180,481
Capital Development Fund	-540,090	-412,193
Fixed Assets	-997,218	-1,715,219
Leave pay	-275,132	-311,377
Other adjustments		-2,741,693
Unreconciled		0
Capital charges		
Interest paid on external loans	0	
Interest on accumulated funds	1,100,909	876,782
Expenditure charged against funds	0	
Redemption of external loans	0	0
	<u>5,660,790</u>	<u>1,425,299</u>
14 INCREASE/(DECREASE) IN WORKING CAPITAL		
(Increase)/Decrease in stock	0	0
(Increase)/Decrease in debtors	-115,976	861,576
Increase/(Decrease) in creditors	-1,633,866	1,501,365
	<u>-1,749,842</u>	<u>2,362,941</u>
15 (INCR)/DECR IN EXTERNAL CASH INVESTMENTS		
Investments made	13,988,713	13,806,882
Investments realised	13,806,882	6,090,340
	<u>181,831</u>	<u>7,716,542</u>

NDWEDWE MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

2,005 2,004

16 (INCR)/DECR IN BANK CASH

Balance at beginning of year	2,321,340	5,233,688
Less balance at end of year	<u>-1,105,186</u>	<u>-2,321,340</u>
	<u>1,216,154</u>	<u>2,912,348</u>

17 RETIREMENT BENEFITS

Employees belong to the following funds within the Natal Joint Municipal Pension Funds which provide retirement benefits to such employees. All amounts due to the fund are fully paid up.
- Provident Fund

18 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure	0	6,550,000
- Approved and contracted for	0	1,715,219
- Approved and not contracted for	0	0

The expenditure will be financed from the Establishment Grant, Capital funds etc.

19 CAPITAL DEVELOPMENT FUND

Accumulated Fund	1,656,305	1,116,215
Less Internal investments in CCDF		0
	<u>1,656,305</u>	<u>1,116,215</u>

APPENDIX A
NDWEDWE MUNICIPALITY
STATUTORY FUNDS, RESERVES AND TRUST FUNDS
FOR THE YEAR ENDED 30 JUNE 2005

	Balance 30 June 2004 R	Contributions R	Interest on Investments R	Other Income R	Expenditure R	Balance 30 June 2005 R
STATUTORY FUNDS						
Capital Development Fund	1,116,215	540,090				1,656,305
	1,116,215	540,090	0	0	0	1,656,305
<u>RESERVES - GRANTS</u>						
Establishment Grant	910,006			175	-201,359	708,821
IDP Grant	94,000			50,000	-69,171	74,829
LUMS	80,000			140,000	-22,670	197,330
Municipal System IMP Grant	306,406			390,000	-149,531	546,875
Capacity Support Grant	171,000			2,850	-81,971	91,879
Municipal Assistant Grant		800,000			0	800,000
MFMA Grant		45,000			-2,607	42,393
Financial Management Grant	0	250,000			-190,072	59,928
Internal Departmental Monitoring		60,000			0	60,000
Property Rates Implementation Grant		63,125			0	63,125
Anti - Corruption Grant		134,000			0	134,000
Municipal Development planning		200,000			0	200,000
Housing Grant		92,340			-34,251	58,089
Capital Reserves						1,620,590
	1,084,006	1,644,465	0	582,850	-751,633	4,657,860

APPENDIX C
NDWEDWE MUNICIPALITY
ANALYSIS OF FIXED ASSETS
AS AT 30 JUNE 2005

Expenditure 2004 R		Budget 2004 R	Balance 1st July 2004 R	Expenditure R	W/off, Tfrd, Disposed R	Balance 30th June 2005 R
6,583,970.00	RATE AND GENERAL SERVICE	-	6,583,970.00	1,480,891	-	8,044,861
2,750,720.00	Land & Buildings		2,750,720.00	50,837		2,801,557
585,591.00	Furniture & Equipment		585,591.00	148,107		713,698
411,043.00	Computers & IT Software		411,043.00	185,887		578,910
1,141,398.00	Motor Vehicles		1,141,398.00	1,096,080		2,237,478
1,715,218.00	Projects in Progress		1,715,218.00	-		1,715,218
4,868,751.73						
-	SUBSIDISED SERVICES	-	-	-	-	-
	Market Stalls					
	Community Hall					
-	ECONOMIC SERVICES	-	-	-	-	-
-	Refuse Site		-	-		-
-	Sewerage Works		-	-		-
-	TRADING SERVICES	-	-	-	-	-
-	Electricity Service		-	-		-
-	Water Service		-	-		-
6,583,970.00	TOTAL FIXED ASSETS	-	6,583,970.00	1,460,891	-	8,044,861
-	ACCUMULATED DEPRECIATION		-			-
6,583,970.00	NETT FIXED ASSETS	-	6,583,970.00	1,460,891	-	8,044,861
	LESS					
	LOANS REDEEMED & OTHER					
	CAPITAL RECEIPTS		-6,583,970.00	-1,460,891	-	-8,044,861
	RATE & GENERAL SERVICES		-6,583,970.00	-1,460,891		-8,044,861
	Loans redeemed & advances repaid		-	-		-
	Contributions ex Operating Income		-	-		-1,715,219
	Contributions ex Grants & Subsidies		-6,583,970.00	-1,203,075		-6,071,827
	Donations		-	-257,816		-257,816
	NETT FIXED ASSETS	-	-	-	-	-0

APPENDIX D
NDWEDWE MUNICIPALITY
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2005

ACTUAL 2004 R	DETAILS	ACTUAL 2005 R	BUDGET 2005 R
13,739,760	INCOME	16,902,086	26,645,500
13,694,430	Equitable Share	16,752,434	16,752,000
-	Provincial Grants and subsidies		250,000
45,330	Sundry Income	149,652	143,500
	ACCUMULATED Surplus		9,500,000
-	Operating Income	-	-
-	Assessment Rates	-	-
-	Sales of Electricity	-	-
-	Sales of Water	-	-
-	Other Service Charges	-	-
876,782	Interest earned	1,100,909	800,000
<u>14,616,542</u>	TOTAL INCOME	<u>18,002,995</u>	<u>27,445,500</u>
	EXPENDITURE		
4,535,977	Salaries, Wages and Allowances	5,905,238	8,968,894
3,804,460	General Expenses	4,800,230	5,142,996
-	- Purchase of Electricity	-	-
-	- Purchase of Water	-	-
3,804,460	- Other General Expenses	4,800,230	5,142,996
460,710	Repairs & Maintenance	401,559	785,000
-	Capital charges	-	100,000
1,715,219	Contribution to Capital Outlay	997,218	11,705,000
2,741,693	Other adjustments	-	
809,968	Contributions to provisions	815,221	743,610
-	Other Projects	523,647	
<u>14,068,027</u>	Nett Expenditure	<u>13,443,114</u>	<u>27,445,500</u>

APPENDIX E
NDWEDWE MUNICIPALITY
DETAILED INCOME STATEMENT FOR THE YEAR
ENDED 30 JUNE 2005

Actual Income 2004 R	Actual Expend. 2004 R	Surplus/ (Deficit) 2004 R		Actual Income 2005 R	Actual Expend. 2005 R	Surplus/ (Deficit) 2005 R	Surplus/ (Deficit) 2005 R
14,616,542	8,887,545	5,728,998	RATE AND GENERAL SERVICES	18,002,995	11,630,674	6,372,321	-
14,616,542	8,887,545	5,728,998	Community Services	18,002,995	11,630,674	6,372,321	-
-	1,249,958	-1,249,958	Council	-	-	-	-
-	3,976,858	-3,976,858	Corporate	-	6,865,289	-6,865,289	-
14,616,542	1,316,964	13,299,578	Finance	18,002,995	1,629,285	16,373,710	-
-	900,856	-900,856	Management	-	771,578	-771,578	-
-	1,442,908	-1,442,908	Technical	-	2,364,522	-2,364,522	-
-	-	-	Subsidised Services	-	-	-	-
-	-	-	Facilities	-	-	-	-
-	-	-	Library	-	-	-	-
-	-	-	Community Hall	-	-	-	-
-	-	-	Parks & Recreation	-	-	-	-
-	-	-	Economic Services	-	-	-	-
-	-	-	Market Stalls	-	-	-	-
-	-	-	Refuse Removal	-	-	-	-
-	-	-	Sewerage	-	-	-	-
-	-	-		-	-	-	-
-	-	-	TRADING SERVICES	-	-	-	-
-	-	-	Water	-	-	-	-
-	-	-	Electricity	-	-	-	-
14,616,542	8,887,545	5,728,998	TOTAL	18,002,995	11,630,674	6,372,321	-

APPENDIX F

STATISTICAL INFORMATION

DETAILS	2005	2004
POPULATION(APPROXIMATE)	175500	175150
NUMBER OF PERMANENT EMPLOYEES	30	18